(c) whether the gap between capital receipts and capital expenditure is widening,

(d) if so, what does this indicate, and

(e) how Government propose to narrow this gap thereby using finance for capital formation?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The borrowings made by the Government of India from all sources for financing the fiscal deficit during the last six years were as under:—

	(Rs. crore)
1992-93	40173
1993-94	60275
1994-95	57703
1995-96	60243
1996-97	66733
1997-98(RE)	86345

(b) and (c) The details are as under:

Year	Capital expenditure	Non-debt capital receipts	Debt receipts	Total Capital receipts
1	2	3	4	5 (3+4)
1992-93	29916	8317	31856	40173
1993-94	33684	6143	54114	60257
1994-95	38627	11953	45750	57703
1995-96	38414	7902	52341	60243
1996-97	42074	7995	58738	66733
1997-98	53045	10386	75959	86345

(d) The excess of capital receipts over capital expenditure signifies that a part of capital receipts is being used to finance the Revenue Deficit.

(e) The Government is constantly trying to reduce revenue Deficit by maximising revenue receipts and controlling revenue expenditure.

Percentage fall in value of Rupee

3759. DR. B.B. DUTTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Indian rupee has suffered a lot during the last six months;

(b) if so, percentage fall in the value of rupee during the last six months, month-wise;

(c) the details of the factors responsible for the fall; and

(d) the steps taken to arrest the fall in the value of the rupee?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The value of the Indian rupee against the US dollar has depreciated by 7.16 per cent during the last six months from Rs. 39.217 in December 1997 to Rs.

42.242 in June 1998. The month-wise percentage changes in the value of rupee against the US dollar during the last six months are as under:—

Month		Appre./depre. (−) of rupee against the US $ over previous month (Per cent)
January	1998	− 0.42
February	1998	1.28
March	1998	− 1.55
April	1998	− 0.39
May	1998	− 2.01
June	1998	− 4.19

(c) The exchange rate of the rupee is market determined. The developments in the East Asian markets since June 1997 have had their impact on market sentiments in India also and expectations contributed to the pressure on the rupee. Besides, several unanticipated developments during May and June 1998 also contributed to the pressure on the rupee.

(d) The Reserve Bank of India had taken several measures to contain volatility in the value of the rupee and to ensure orderly conditions in the foreign exchange market. These measures include: purchase/sale of foreign exchange by the RBI in the foreign exchange market, which are often supplemented by deployment of suitable monetory measures. Specific measures are also instituted to reduce the access to nomestic liquidity for speculative purposes.

Guidelines for externally aided projects

3760. DR. MAHESH CHANDRA SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as per Government guidelines the Central Government provides 25% amount of the budgetary resource for Externally Aided Projects as an advance in the beginning of the financial year to be adjusted against the expenditure for implementing the Externally Aided Projects without causing time and cost over run; and

(b) if so, whether the Central Government has released the amount of advance to the State of Rajasthan?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The normal procedure for release of Additional Central Assistance (ACA) is on reimbursement basis. However, release of advance ACA has been undertaken by way of assisting the States in effective aid utilisation. The amount of advance ACA has varied from year to year. During 1998-99, an amount of Rs. 30.42 crore has been released as advance ACA to the State of Rajasthan.

Reducing subsidies on non-merit goods

3761. SHRI PREM CHAND GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Ministry of Finance has made a recommendations to reduce subsidies on non-merit goods; and

(b) if so, whether Government have accepted these recommendations?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) Ministry of Finance has not made any recommendations to reduce subsidies on non-merit goods. However, to initiate public debate on subsidies, Ministry of Finance circulated in both Houses of